GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5272
ANSWERED ON:22.12.2000
LOSSES SUFFERED BY INSURANCE COMPANIES
RUDRAGOUDA PATIL

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government propose to appoint neutral assessors and surveyors to investigate into the misconduct and non-adherence of rules and regulations by leading Insurance Companies;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the losses suffered by the Insurance Companies during the last three years as a result of misconduct?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) to (c): No, Sir. However, public sector general insurance companies are under the purview of the Comptroller and Auditor General(CAG) as also the Central Vigilance Commission(CVC).

(d): The details of operating results of Insurance Companies for the last three years ending March, 2000 are given inthe Annexure. No separate head of account is maintained by the insurance companies showing losses under the head `misconduct`.

ANNEXURE

Details of operating Results of GIC and subsidiary Companies for the last 3 years ending March 2000

(Rs. in Crore)

	GIC		National		New India		Oriental		United India	
	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99
Underwriting profit/loss(-)	-229.53	-101.63	-231.91	-212.85	-177.98	13.18	-298.50	-257.26	-276.63	-128.03
Gross Investment Income	649.61	615.96	340.20	312.73	685.74	635.95	367.53	341.22	444.46	416.01
Other outgo less other income	14.41	23.89	7.84	16.43	72.44	84.44	8.23	16.87	17.42	26.57
Profit before Tax	405.67	490.44	100.45	83.45	435.32	564.69	60.80	67.09	150.41	261.41

	United India		
	1997-98		
Underwriting profit/loss(-)	-112.69	-276.63	-128.03
Gross Investment Income	312.23	444.46	416.01
Other outgo less other income	15.86	17.42	26.57
Profit before Tax	183.68	150.41	261.41

	1997-98
Underwriting profit/loss(-)	-172.34
Gross Investment Income	364.69
Other outgo less other income	0.52
Profit before Tax	192.88